

IN THE UNITED STATES DISTRICT COURT FOR THE  
DISTRICT OF SOUTH CAROLINA  
GREENVILLE DIVISION

UNITED STATES OF AMERICA

Plaintiff,

v.

JOHN HOWARD ALEXANDER, a/k/a  
HOWARD IRA SMALL, INDIVIDUALLY  
and AS TRUSTEE OF THE ALEXANDER  
FAMILY TRUST

Defendant.

Civil No. 6:08-cv-03760-GRA

**DECLARATION OF JAMES C. STRONG**

1. I am a trial attorney with the Tax Division at the Department of Justice, representing the United States in this action. I was admitted *pro hac vice* to this Court on November 21, 2008. (Doc. # 6).

2. Attached to this Declaration is a true and correct copy of the deposition transcript of John Howard Alexander, taken on July 27, 2009.

3. Attached to this Declaration is a true and correct copy of the deposition transcript of Heather Ferguson, taken on July 27, 2009.

4. Attached to this Declaration as Exhibit 2 is a true and correct copy of a document entitled Mortgage of Real Estate, filed on October 16, 2003 in Greenville County, South Carolina.

5. Attached to this Declaration as Exhibit 3 is a true and correct copy of a document entitled Mortgage of Real Estate, filed on July 27, 2006 in Greenville County, South Carolina.

6. Attached to this Declaration as Exhibit 4 is a true and correct copy of a document entitled Title to Real Estate, filed on October 16, 2003 in Greenville County, South Carolina.

7. Attached to this Declaration as Exhibit 5 is a true and correct copy of a document entitled "Your Privacy and Asset Accumulation Guide – by FTG Version 10/00." The document was attached to the deposition of John Howard Alexander as Plaintiff's Deposition Exhibit 15.

8. Attached to this Declaration as Exhibit 6 is a true and correct copy of a separate document entitled "Your Privacy and Asset Accumulation Guide – by FTG Version 10/00." The document was attached to the deposition of John Howard Alexander as Plaintiff's Deposition Exhibit 16.

9. Attached to this Declaration as Exhibit 7 is a true and correct copy of a document entitled "Family Trust." The document was attached to the deposition of John Howard Alexander as Plaintiff's Deposition Exhibit 17.

10. Attached to this Declaration as Exhibit 8 is a true and correct copy of a document entitled "Management Trust." The document was attached to the deposition of John Howard Alexander as Plaintiff's Deposition Exhibit 18.

11. Attached to this Declaration as Exhibit 9 is a true and correct copy of a document entitled "Banking Trusts." The document was attached to the deposition of John Howard Alexander as Plaintiff's Deposition Exhibit 20.

12. Attached to this Declaration as Exhibit 10 is a true and correct copy of a document entitled "Holding Trusts." The document was attached to the deposition of John Howard Alexander as Plaintiff's Deposition Exhibit 19.

13. Attached to this Declaration as Exhibit 11 is a true and correct copy of a document that is a Table of Contents for "Aware Management Administrative Trusts." The document was attached to the deposition of John Howard Alexander as Plaintiff's Deposition Exhibit 22.

14. Attached to this Declaration as Exhibit 12 is a true and correct copy of a newsletter entitled "Aware American" and dated September 1996. The document was attached to the deposition of John Howard Alexander as Plaintiff's Deposition Exhibit 23.

15. Attached to this Declaration as Exhibit 13 is a true and correct copy of a document entitled "The Aware Group's Referral Program." The document was attached to the deposition of John Howard Alexander as Plaintiff's Deposition Exhibit 8.

16. Attached to this Declaration as Exhibit 14 is a true and correct copy of a document entitled "Getting Started." The document was attached to the deposition of John Howard Alexander as Plaintiff's Deposition Exhibit 13.

17. Attached to this Declaration as Exhibits A-F are true and correct copies of IRS Forms 4340, Certificate of Assessments reflecting the assessments made against John Howard Alexander for unpaid income taxes for Tax Years 1990-1995.

18. Attached to this Declaration as Exhibits G-K are true and correct copies of IRS Forms 4340, Certificate of Assessments reflecting the assessments made against John Howard Alexander for civil penalties under 26 U.S.C. § 6700 for Tax Years 2000-2004.

19. Attached to this Declaration as Exhibit L is a true and correct copy of a Notice of Deficiency issued to John Howard Alexander on May 20, 1998.

20. Attached to this Declaration as Exhibit M is a true and correct copy of a Notice of Federal Tax Lien filed in Greenville County, South Carolina on February 17, 2005.

21. Attached to this Declaration as Exhibit N is a true and correct copy of an Amended Notice of Federal Tax Lien filed in Greenville County, South Carolina on June 4, 2008.

22. Attached to this Declaration as Exhibit O is a true and correct copy of a Notice of Federal Tax Lien filed in Greenville County, South Carolina on October 1, 2007.

23. Attached to this Declaration as Exhibit P is a true and correct copy of a Notice of Federal Tax Lien filed in Greenville County, South Carolina on October 22, 2007.

24. Attached to this Declaration as Exhibit Q is a true and correct copy of a Notice of Federal Tax Lien filed in Greenville County, South Carolina on May 20, 2008.

25. Attached to this Declaration is a true and correct copy of the Court's unpublished opinion in *Noske v. United States*, 1993 WL 78311 (D. Minn. Jan. 14, 1993).

26. Attached to this Declaration is a true and correct copy of the Court's unpublished opinion in *United States v. Kahn*, 2004 WL 1089116 (M.D. Fla. Mar. 30, 2004).

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

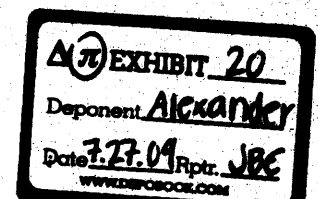
Dated: September 25, 2009.

  
JAMES C. STRONG

GOVERNMENT  
EXHIBIT

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# Banking Trusts



**INSTRUCTIONS FOR THE SIMPLE TRUST  
(FOR BANKING)**

**PAGE #1**

- 1) Develop name for your Trust.
  - A) put name at top of page #1 (*first blank line*)
  - B) put at bottom of each page

2) Fill in date

3) Fill in SETTLOR's name and address

4) Fill in TRUSTEE's name and address

5) list beneficiaries

**PAGE #3**

6) Name successor Trustee

7) SETTLOR's signature (*name is printed on line below signature*)

8) Witness fill in SETTLOR's name.

A) Witnesses signature.

**PAGE #4**

9) TRUSTEE signature (*name is printed on line below signature*)

10) Witness fills in TRUSTEE's Name.

A) Witnesses signature.

Refer to sample or the questions and answers section found in the file ftgbk.pdf found on this CD-ROM if you have further questions. When you have filled in the Trust, take to local bank to open account (open a non-interest bearing, business account). Do not get discouraged if the first bank refuses to open an account. Keep trying some are more willing to work with you than others.

**NOTE: This document is a completed sample of The Banking (simple) Trust. All names and addresses used to complete this document are fictitious. Please print and read this sample prior to completing the Banking Trust in order to have a better understanding of the setup and operation of this Trust. Additional information can be found through out The "Privacy and Asset Accumulation" Guide that can be found on this CD-ROM (File Name: ftgbk.pdf).**

**SIMPLE TRUST**  
**(For Banking Purposes)**

**The Smith Family Banking Trust (sample)**

This TRUST AGREEMENT is entered into this 05 day of November in the year of our lord, 2000, BETWEEN;

John Doe, SETTLOR (*TRUSTOR/CREATOR*)  
1234 1<sup>st</sup> Street  
Apartment #45  
Anytown, America 12345

**And**

Jane Smith, TRUSTEE  
1001 Main Street  
Suite #90  
Midtown, America 44444

The SETTLOR hereby conveys, assigns, transfers, and delivers to the Trustee the sum of One Hundred Dollars (\$100.00) and such other assets and property as now and in the future may be so transferred as described in a Schedule A, attached hereto and made a part hereof, the receipt of which the Trustee hereby acknowledges, and to have and to hold the said property, hereinafter called the Trust Estate, unto the Trustee in Trust for the purposes and terms as set forth below.

**BENEFICIARY:** This Trust is established for the benefit of:

Little Jane Smith  
Little Joe Smith Jr.  
Mr. Joe Smith Sr.  
Lucy-Mae Smith

**INVESTMENT MANAGEMENT:** The Trustee, or its General Manager assigns, shall invest and reinvest the Trust Estate in its discretion, with out regard for any law prescribing or limiting the investment powers of fiduciaries, in any security, but not limited to Stocks, Commodities, Precious Metals, Mutual Funds, Real Estate, Bank CD's and L/C's, Warehouse and Elevator Receipts, Stamps, Waybills, Options, Commercial



Papers, Account Receivable, Royalty and Limited Partnership Interests, Copyrights, Patents, Bequests Anticipated, Etc.

**PURCHASE AND SALE OF SECURITIES:** Capital assets and securities may be purchased on the installment sales basis at the Trustee's discretion. Commercial paper securities may be sold at any price, i.e., at, above or below cost at the sole discretion of the Trustee or its assigns. Investments may be HYPOTHECATED and loaned out, and monies can be borrowed.

**Smith Family Banking Trust (sample)**

**BANKING:** Regular checking, saving, thrift and other saving accounts may be opened, maintained, and closed at the discretion of the Trustee or its assigns. The Trustee or its assigns may appoint third party bookkeepers to manage, deposit, and withdraw from said accounts.

**FORMATION AND PROTECTION:** This Trust is formed under English Common Law and Article 1 section 10 of the Constitution of the united states of America.

**LEGAL STATUS AND VALIDITY:** The validity of this Trust is subject to courts of its Situs however, Article 1 section 10 of the Constitution of the united states of America shall survive with regards to laws impairing the obligation of contracts.

**DONORS AND SELLERS:** Anyone may donate assets to this Trust, and anyone may sell assets to the Trust. Upon Termination of this Trust the Trustee or its assigns shall pay to the donors the then current value of their donations, or to the Donor's Estate. Sellers who have the right of the first refusal under a Buy/Sell Agreement may exercise their rights at any time the Trust remains in operation or as long as the Trust's Successor remains in operation.

**DISTRIBUTION AND TERMINATION:** The Trustee or its assigns shall distribute all net income to the Beneficiaries or on its behalf for a period of Twenty (20) years from the date of this agreement, at which time it may be renewed with a new Agreement. It is the intent of the SETTLOR and Trustee to so renew unless stated by them otherwise.

**POUR-OVER AUTHORITY:** For the purpose of renewing this Agreement, the assets of the assisting Agreement may be "poured-over" into the Renewable Agreement by the Trustee.

**LAW SUITS:** This Trust shall settle, compromise, pursue and/or oppose law suits, fines, liens, levies, assessments, purported claims for debts, restrictions, libel, etc. by both public and private parties and agencies.

**TAXES:** The Trustee is to pay all properly due taxes and to file all properly due tax returns. This Trust shall be properly operated as a "Simple Trust" and distributes all net income to its legal Beneficiaries.



**OUTSIDE HELP AND ADVICE:** The Trustee or its assigns may utilize outside consultant, brokers, agents, attorneys, accountants, appraisers, custodians, employees, independent contractors, and to pay them compensation as the Trustee may deem advisable.

**Smith Family Banking Trust (sample)**

**BONDS AND FEES:** The Trustee or its assigns may transfer, assign, mortgage, apply and remove liens on property, perfect title, and furnish copies of bills of sale, deeds, Trust indentures, corporate charters, resolution, and such other legal paperwork as may be necessary to effect legal change of ownership of real estate property. Trustee may serve without Bond of Fees.

**OWNERSHIP TITLE:** Title to assets may be held in the name of this Trust, the name of the Trustee or its assigns, in the street name, or in bearer name. Any monies received by an agent-nominee for and on behalf of this Trust shall not be considered to have been constructively received by said nominee-agent, but shall accrue solely for the benefit and legal ownership of this Trust.

**TRUSTEE RESIGNATION DEPARTURE:** Should the Trustee resign, cease to exist, or depart for any reason, the successor Trustee shall be,

Dora Doolittle  
0000 Left Street  
Your Town, America 11111

**IRREVOCABLE:** This Trust is irrevocable and cannot be changed, revoked, or terminated or even blocked by the Creator, Trustee, or Beneficiary. No other parties are legally associated.

**IN WITNESS WHEREOF,** said Creator and Trustee have hereunto set their respective hands and Seals.

\_\_\_\_\_  
BY: John Doe  
(SETTLOR)

**WITNESSES:**

I declare that John Doe Is personally known to me ( or prove to me on the basis of convincing evidence) to be the principal that he/she signed or acknowledged this Trust in my presence, or he/she appears to be of sound mind and under no duress or undo influence.

By: \_\_\_\_\_  
By: \_\_\_\_\_

**Smith Family Banking Trust (sample)**

Jane Smith  
(Trustee)

By: \_\_\_\_\_

**WITNESSES:**

I declare that Jane Smith Is personally known to me ( or prove to me on the basis of convincing evidence) to be the principal that he/she signed or acknowledged this Trust in my presence, or he/she appears to be of sound mind and under no duress or undo influence.

By: \_\_\_\_\_

By: \_\_\_\_\_

**Smith Family Banking Trust (sample)**

**SIMPLE TRUST**  
**(For Banking Purposes)**

\_\_\_\_\_

This TRUST AGREEMENT is entered into this \_\_\_\_ day of \_\_\_\_\_ in the year of our  
lord, \_\_\_\_\_, BETWEEN;

\_\_\_\_\_ **SETTLOR (TRUSTOR/CREATOR)**

**And**

\_\_\_\_\_ **TRUSTEE**

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

The SETTLOR hereby conveys, assigns, transfers, and delivers to the Trustee the sum of  
One Hundred Dollars (\$100.00) and such other assets and property as now and in the  
future may be so transferred as described in a Schedule A, attached hereto and made a  
part hereof, the receipt of which the Trustee hereby acknowledges, and to have and to  
hold the said property, hereinafter called the Trust Estate, unto the Trustee in Trust for  
the purposes and terms as set forth below.

**BENEFICIARY:** This Trust is established for the benefit of:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**INVESTMENT MANAGEMENT:** The Trustee, or its General Manager assigns, shall  
invest and reinvest the Trust Estate in its discretion, with out regard for any law  
prescribing or limiting the investment powers of fiduciaries, in any security, but not  
limited to Stocks, Commodities, Precious Metals, Mutual Funds, Real Estate, Bank CD's  
and L/C's, Warehouse and Elevator Receipts, Stamps, Waybills, Options, Commercial  
Papers, Account Receivable, Royalty and Limited Partnership Interests, Copyrights,  
Patents, Bequests Anticipated, Etc

\_\_\_\_\_ **Trust**

**PURCHASE AND SALE OF SECURITIES:** Capital assets and securities may be purchased on the installment sales basis at the Trustee's discretion. Commercial paper securities may be sold at any price, i.e., at, above or below cost at the sole discretion of the Trustee or its assigns. Investments may be HYPOTHECATED and loaned out, and monies can be borrowed.

**BANKING:** Regular checking, saving, thrift and other saving accounts may be opened, maintained, and closed at the discretion of the Trustee or its assigns. The Trustee or its assigns may appoint third party bookkeepers to manage, deposit, and withdraw from said accounts.

**FORMATION AND PROTECTION:** This Trust is formed under English Common Law and Article 1 section 10 of the Constitution of the united states of America.

**LEGAL STATUS AND VALIDITY:** The validity of this Trust is subject to courts of its Situs however, Article 1 section 10 of the Constitution of the united states of America shall survive with regards to laws impairing the obligation of contracts.

**DONORS AND SELLERS:** Anyone may donate assets to this Trust, and anyone may sell assets to the Trust. Upon Termination of this Trust the Trustee or its assigns shall pay to the donors the then current value of their donations, or to the Donor's Estate. Sellers who have the right of the first refusal under a Buy/Sell Agreement may exercise their rights at any time the Trust remains in operation or as long as the Trust's Successor remains in operation.

**DISTRIBUTION AND TERMINATION:** The Trustee or its assigns shall distribute all net income to the Beneficiaries or on its behalf for a period of Twenty (20) years from the date of this agreement, at which time it may be renewed with a new Agreement. It is the intent of the SETTLOR and Trustee to so renew unless stated by them otherwise.

**POUR-OVER AUTHORITY:** For the purpose of renewing this Agreement, the assets of the assisting Agreement may be "poured-over" into the Renewable Agreement by the Trustee.

**LAW SUITS:** This Trust shall settle, compromise, pursue and/or oppose law suits, fines, liens, levies, assessments, purported claims for debts, restrictions, libel, etc. by both public and private parties and agencies.

**TAXES:** The Trustee is to pay all properly due taxes and to file all properly due tax returns. This Trust shall be properly operated as a "Simple Trust" and distributes all net income to its legal Beneficiaries.

\_\_\_\_\_  
Trust

**OUTSIDE HELP AND ADVICE:** The Trustee or its assigns may utilize outside consultant, brokers, agents, attorneys, accountants, appraisers, custodians, employees, independent contractors, and to pay them compensation as the Trustee may deem advisable.

**BONDS AND FEES:** The Trustee or its assigns may transfer, assign, mortgage, apply and remove liens on property, perfect title, and furnish copies of bills of sale, deeds, Trust indentures, corporate charters, resolution, and such other legal paperwork as may be necessary to effect legal change of ownership of real estate property. Trustee may serve without Bond of Fees.

**OWNERSHIP TITLE:** Title to assets may be held in the name of this Trust, the name of the Trustee or its assigns, in the street name, or in bearer name. Any monies received by an agent-nominee for and on behalf of this Trust shall not be considered to have been constructively received by said nominee-agent, but shall accrue solely for the benefit and legal ownership of this Trust.

**TRUSTEE RESIGNATION DEPARTURE:** Should the Trustee resign, cease to exist, or depart for any reason, the successor Trustee shall be,

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**IRREVOCABLE:** This Trust is irrevocable and cannot be changed, revoked, or terminated or even blocked by the Creator, Trustee, or Beneficiary. No other parties are legally associated.

**IN WITNESS WHEREOF,** said Creator and Trustee have hereunto set their respective hands and Seals.

\_\_\_\_\_  
BY: \_\_\_\_\_  
(SETTLOR)

**WITNESSES:**

I declare that \_\_\_\_\_ Is personally known to me ( or prove to me on the basis of convincing evidence) to be the principal that he/she signed or acknowledged this Trust in my presence, or he/she appears to be of sound mind and under no duress or undo influence.

By: \_\_\_\_\_

By: \_\_\_\_\_

\_\_\_\_\_ Trust

\_\_\_\_\_  
(Trustee)

By: \_\_\_\_\_

**WITNESSES:**

I declare that \_\_\_\_\_ Is personally known to me ( or prove to me on the basis of convincing evidence) to be the principal that he/she signed or acknowledged this Trust in my presence, or he/she appears to be of sound mind and under no duress or undo influence.

By: \_\_\_\_\_

By: \_\_\_\_\_

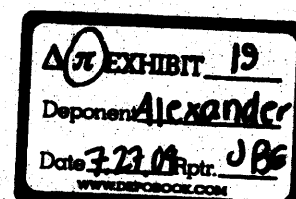
\_\_\_\_\_  
Trust



GOVERNMENT  
EXHIBIT

10

# Holding Trusts



# **INSTRUCTIONS FOR HOLDING TRUSTS**

## **COVER PAGE**

- 1) Develop name for your Holding trust**
- 2) Enter your mailing location**
- 3) Enter the date**

## **PAGE #1**

- 1) Enter the date**
- 2) Enter the Settlor's name and address**
- 3) Enter the Trustee's name and address**
- 4) Enter the Trust's name**

## **PAGE #3**

- 1) Appoint Trust Manager enter on line.**

## **PAGE #4**

- 1) Signature of Settlor**
- 2) Signature of Trustee**
- 3) Witness prints name and occupation**
- 4) Enter Trust's mailing location**

**NOTE: This document is a completed sample of The Family Trust. All names and addresses used to complete this document are fictitious. Please print and read this sample prior to completing the Family Trust in order to have a better understanding of the setup and operation of this Trust. Additional information can be found through out The "Privacy and Asset Accumulation" Guide that can be found on this CD-ROM (File Name: ftgbk.pdf) and in the information at end of this document.**

If recorded, mail to:  
BOARD OF TRUSTEE  
**DEF Holding Trust**  
c/o 1111 your street  
your city, your town

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DECLARATION OF

TRUST

THIS DOCUMENT IS CREATED UNDER COMMON LAW RIGHT OF CONTRACT

Dated June 01, 1995

**DEF Holding Trust**

A Trust Organization and/or Pure Trust executed under  
The Constitutional Laws of the united States of America

## DECLARATION OF IRREVOCABLE TRUST

This Declaration of Irrevocable Trust is created this June 1st, 1995 between John Doe of 1111 Your Street , your Town, your state hereinafter called the **SETTLOR** and Moe Loe of 0000 main street ,his town, his state , hereinafter called the **Trustee**, who are legal entities holding full title, not as individuals, but collectively as the board under the name of

### DEF Holding Trust ,

and to collectively act as herein set forth and according to the inalienable Common Law rights afforded to men. The wisdom, truth and good faith of this was demonstrated when the Congress of the United States passed Public Law 97-280 declaring the year 1983 the year of the bible and for all persons to live by spiritual principles no matter what label one attaches to his faith in God.

### FIRST

The SETTLOR hereby irrevocably assigns, conveys and gives to the Trustee, in Trust, the following property:

Cash: \$100.00;  
See Attached Exhibit A.

### SECOND

The Trustee shall receive and hold said property, together with any additions hereto in Trust for the use and benefit of the Trust Certificate Holders. Certificate 1 for 100 Trust Certificate Units shall be issued to ABC Management Trust

### THIRD

This Trust shall be irrevocable and amendable by appropriate Minute and approval of the Board of Trustees. We hereby affirm that the Trust created by this agreement shall be irrevocable by the SETTLOR or by any other person or entity. It being the intention of the SETTLOR to make to the Beneficiary(ies), the Holders of the Trust Certificate units, an absolute gift of the property described in paragraph ONE, above. There shall not be more than 100 Trust Certificate Units in this Trust available to the Beneficiary(ies). This Trust shall continue for a term of Twenty years from the date of acknowledgement. This Trust shall also be renewable, if renewed prior to its termination.

#### **FOURTH**

This agreement and Trust created hereby shall be administered, managed, governed and regulated in all respects according to the applicable statutes of the Uniform Trustees Powers Act and The Constitution of the United States. This Trust shall be governed and interpreted by the American Common Law. Further, This Trust Organization shall enjoy the benefits of the Uniform Commercial Code adopted by the City of Washington, District of Columbia in the following citations: section 28: 1-105, TERRITORIAL APPLICATION OF THIS SUBTITLE; PARTIES POWER TO CHOOSE APPLICABLE LAW, and if deemed necessary and appropriate by the Board of Trustees, invocation of Article VI, clause 2 of the United States Constitution, the Supremacy Clause, if the Board of Trustees invokes any protection, benefits and right in any international agreement or TREATY between the United States and any international organization, such as the United Nations and its lessor organs, or any other nation, whether or not a situs change is ordered, and section 28: 1-207, PERFORMANCE OR ACCEPTANCE UNDER RESERVATION OF RIGHTS.

#### **FIFTH**

The Trustee, in addition to all other power granted by this agreement and by law, shall have the following additional powers with respect to the Trust, to be exercised from time to time at the discretion of the Trustee.

#### **MANAGEMENT OF THE TRUST**

To invest and reinvest, lease, rent, mortgage, insure, repair, improve or sell any of the real and personal property of the Trust as the Trustee deems advisable.

#### **BUSINESS INTERESTS**

To sell or otherwise liquidate, or to continue to operate at the Trustee=s discretion, any corporation, partnership or other business interest which may be received by the Trust.

#### **MORTGAGES, PLEDGES AND DEEDS OF TRUST**

To enforce any and all mortgages, pledges and deeds of Trust held by the Trust and to purchase at any sale thereunder any such real or personal property subject to any mortgage, pledge or deed of Trust.

#### LITIGATION

To initiate or defend, at the discretion of the Trustee, any litigation affecting the Trust.

#### ATTORNEYS, ADVISORS AND AGENTS

To employ and to pay from the Trust reasonable compensation to such attorneys, accountants, brokers and investment, tax and other advisors as the Trustee deems advisable.

#### ADJUSTMENT OF CLAIMS

To submit to arbitration, to compromise or to release or otherwise adjust, with or without compensation, any and all claims affecting the Trust estate.

#### SIXTH

No bound for the faithful performance of duties shall be required of any Trustee or Trust Officer or Trust Manager under this agreement.

#### SEVENTH

The Trustee shall receive reasonable compensation for the services performed by the Trustee, but such compensation shall not exceed the amount customarily received by corporate fiduciaries in the area for like services.

#### EIGHTH

No Trustee, Trust Officer, or Trust Manager, created by this agreement shall at anytime be held liable for any action or default of any Trustee, Trust Officer or Trust Manager, or any other person in connection with the administration and management of this Trust unless caused by the individual(s) own gross negligence or by commission of a willful act of breach of Trust.

Sue Doe Is hereby appointed Trust Manager.

#### NINTH

The Trustee, by joining in the execution of this agreement, hereby signifies acceptance of this Trust.

**TENTH**

The Trustee shall have sole authority to determine what shall be defined as income and what shall be defined as principal of the Trust established by this agreement, and to determine which costs, taxes and other expenses shall be paid out of income.

**ELEVENTH**

In the event that any portion of this Trust agreement or the Trust created hereby shall be held unlawful, invalid or otherwise inoperative, it is the intention of the SETTLOR that all of the other provisions hereof shall continue to be fully effective and operative insofar as is possible and reasonable.

IN WITNESS WHEREOF, the parties hereto have executed this agreement the day and year first above written.

\_\_\_\_\_  
**SETTLOR:**

**First Trustee:**

**WITNESS;**

\_\_\_\_\_  
Print full Name

\_\_\_\_\_  
Occupation

(ADDRESS)

c/o 1111 your street  
Your town, Your State



If recorded, mail to:  
BOARD OF TRUSTEE

\_\_\_\_\_ **Holding Trust**

c/o \_\_\_\_\_  
\_\_\_\_\_

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DECLARATION OF

TRUST

THIS DOCUMENT IS CREATED UNDER COMMON LAW RIGHT OF CONTRACT

Dated \_\_\_\_\_, 200\_\_

\_\_\_\_\_ **Holding Trust**

A Trust Organization and/or Pure Trust executed under  
The Constitutional Laws of the united States of America

### **DECLARATION OF IRREVOCABLE Trust**

This Declaration of Irrevocable Trust is created this \_\_\_\_\_, 200\_\_ between of \_\_\_\_\_ hereinafter called the **SETTLOR** and of \_\_\_\_\_ hereinafter called the **Trustee**, who are legal entities holding full title, not as individuals, but collectively as the board under the name of \_\_\_\_\_ **Holding Trust**,

and to collectively act as herein set forth and according to the inalienable Common Law rights afforded to men. The wisdom, truth and good faith of this was demonstrated when the Congress of the United States passed Public Law 97-280 declaring the year 1983 the year of the bible and for all persons to live by spiritual principles no matter what label one attaches to his faith in God.

#### **FIRST**

The SETTLOR hereby irrevocably assigns, conveys and gives to the Trustee, in Trust, the following property:

Cash: \$100.00;  
See Attached Exhibit A.

#### **SECOND**

The Trustee shall receive and hold said property, together with any additions hereto in Trust for the use and benefit of the Trust Certificate Holders. Certificate 1 for 100 Trust Certificate Units shall be issued to \_\_\_\_\_ Trust.

#### **THIRD**

This Trust shall be irrevocable and amendable by appropriate Minute and approval of the Board of Trustees. We hereby affirm that the Trust created by this agreement shall be irrevocable by the SETTLOR or by any other person or entity. It being the intention of the SETTLOR to make to the Beneficiary(ies), the Holders of the Trust Certificate units, an absolute gift of the property described in paragraph ONE, above. There shall not be more than 100 Trust Certificate Units in this Trust available to the Beneficiary(ies). This Trust shall continue for a term of Twenty years from the date of acknowledgment. This Trust shall also be renewable, if renewed prior to its termination.

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#### **FIFTH**

The Trustee, in addition to all other power granted by this agreement and by law, shall have the following additional powers with respect to the Trust, to be exercised from time to time at the discretion of the Trustee.

#### **MANAGEMENT OF THE TRUST**

To invest and reinvest, lease, rent, mortgage, insure, repair, improve or sell any of the real and personal property of the Trust as the Trustee deems advisable.

#### **BUSINESS INTERESTS**

To sell or otherwise liquidate, or to continue to operate at the Trustee=s discretion, any corporation, partnership or other business interest which may be received by the Trust.

#### **MORTGAGES, PLEDGES AND DEEDS OF TRUST**

To enforce any and all mortgages, pledges and deeds of Trust held by the Trust and to purchase at any sale thereunder any such real or personal property subject to any mortgage, pledge or deed of Trust.

## **LITIGATION**

To initiate or defend, at the discretion of the Trustee, any litigation affecting the Trust.

## **ATTORNEYS, ADVISORS AND AGENTS**

To employ and to pay from the Trust reasonable compensation to such attorneys, accountants, brokers and investment, tax and other advisors as the Trustee deems advisable.

## **ADJUSTMENT OF CLAIMS**

To submit to arbitration, to compromise or to release or otherwise adjust, with or without compensation, any and all claims affecting the Trust estate.

## **SIXTH**

No bond for the faithful performance of duties shall be required of any Trustee or Trust Officer or Trust Manager under this agreement.

## **SEVENTH**

The Trustee shall receive reasonable compensation for the services performed by the Trustee, but such compensation shall not exceed the amount customarily received by corporate fiduciaries in the area for like services.

## **EIGHTH**

No Trustee, Trust Officer, or Trust Manager, created by this agreement shall at anytime be held liable for any action or default of any Trustee, Trust Officer or Trust Manager, or any other person in connection with the administration and management of this Trust unless caused by the individual(s) own gross negligence or by commission of a willful act of breach of Trust.

\_\_\_\_\_ Is hereby appointed Trust Manager.

## **NINTH**

The Trustee, by joining in the execution of this agreement, hereby signifies acceptance of this Trust.

**TENTH**

The Trustee shall have sole authority to determine what shall be defined as income and what shall be defined as principal of the Trust established by this agreement, and to determine which costs, taxes and other expenses shall be paid out of income.

**ELEVENTH**

In the event that any portion of this Trust agreement or the Trust created hereby shall be held unlawful, invalid or otherwise inoperative, it is the intention of the SETTLOR that all of the other provisions hereof shall continue to be fully effective and operative insofar as is possible and reasonable.

IN WITNESS WHEREOF, the parties hereto have executed this agreement the day and year first above written.

\_\_\_\_\_  
**SETTLOR:**

\_\_\_\_\_  
**First Trustee:**

**WITNESS;**

(ADDRESS)

\_\_\_\_\_  
Print full Name c/o

\_\_\_\_\_  
Occupation

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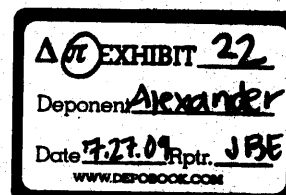
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DEF-00139



# **THE PROBLEM:**

## ***A SUIT ORIENTED SOCIETY AND A SYSTEM FULL OF PITFALLS***

### **DEVASTATING TRENDS**

The problem of liability has grown to mammoth proportions. It is a monster out of control, destroying businesses, families, and all those who are unprotected that stand in its way.

Buying liability insurance used to be a simple matter for the business owner, but now obtaining liability insurance has become a problem so intense that many business and professional people either cannot afford insurance, or cannot find an insurance company which will assume their liability at any cost.

Small businesses are coming under attack more and more. It seems that just opening your doors to the public is a high-risk venture in today's climate. The liability crisis seems to know no bounds. It affects almost every kind of business. It seems that if one is successful and turns a profit, there will most assuredly follow a lawsuit which will attempt to attach those profits. Many small business operators have come to share the frustration of a roller skating rink operator who, after trying in vain to replace her liability insurance policy, was heard to say, "I'll just operate without insurance, and if anyone sues me, I'll hand them the keys to this place and walk away." Although that may seem like a possible solution to her problem, the truth is that not only are her business assets vulnerable, but as operator of the business, her personal assets are also at risk.

Everyone knows how destructive liens and foreclosures have been to families who never thought it could happen to them, and how adverse judgments from questionable lawsuits and bankruptcies occur on a daily basis.

Do you know that even if you put all your assets in the name of your spouse and children, the courts are now letting your creditors seize the assets in your spouse's and children's names?

Do you know that, as a director or officer of a corporation, you can lose all your own personal assets if the corporation is sued?



## **THE PROBATE TRAP**

Every day heirs lose an average of 25% to 35% of their inheritances to probate costs and death taxes. Under present-day law, all property owned by a deceased must enter into the probate system before any property can pass to the heirs. An article in Business Week Magazine realistically appraised the problem concerning wills and probate. "Named in a will?" it asked. "It can take years for you to collect." The story continued, "If you suddenly discover that you are the beneficiary of an estate, don't be too fast to order your yacht. These days it can take years for rightful heirs to collect their legacies. Legal and court costs, as well as taxes and debts, can sometimes shrink an estate to a pittance. Don't try to hasten things along by pressuring the executor or his attorney. No matter how efficient they are in assembling the assets of an estate, claimants get a crack at the estate before you can collect a penny. Creditors have from four months to a year, depending on state law, to make their claims. Then the federal and state governments take their slices. Within nine months of the person's death, the executor is required to file federal estate tax forms. But the I.R.S. can take another year to audit the return, and state tax agencies can take a few months before they, too, are satisfied.

Reader's Digest noted in an article titled, "The Mess in Our Probate Courts". "Inflated fees, paralyzing delays, patronage - these are only some of the many ugly abuses fostered by our inefficient probate system. The high cost of dying is not the funeral. It's the legal and administrative costs of getting the deceased's estate and lifetime earnings through the probate courts. This legal institution, intended originally to help the average family, has become a means of exacting an onerous ransom from the bereaved.

One legal expert alleges that 35% of all wills are broken. The way the present system is set up almost invites abuse. Stories of estates being completely wiped out while going through probate are not uncommon. Robert Kennedy, while he was Attorney General of the United States, called probate, "a political toll booth exacting tribute from widows and orphans."

All of these devastating realities lead people to ask how they can lawfully minimize the possibility of losing their homes, retirement pensions, savings, or other valuable assets. Yet the brutal truth is that it happens every day! Families and individuals work hard to accumulate assets, but fail to plan for the protection of those assets. Financial difficulties arise, and families and individuals find themselves wiped out - more times than not - with little warning.

It is neither immoral, unethical, nor unlawful to provide maximum protection from creditors by putting assets into trust. In fact, it is more like an obligation to yourself and your family to protect and preserve what God has given to you. The answer is to learn how to do it yourself, with our help through our Trust Service.

# **THE SOLUTION:**

## ***DEPLOY AND DISPERSE ASSETS*** **THROUGH THE USE OF A PURE TRUST**

You can provide continuing benefits to your heirs for many generations and provide peace of mind, security, and privacy for your financial affairs. Listen to what the law books have to say about the advantages of a properly structured trust. The following is quoted directly from Volume 76 American Jurisprudence 2d, Section 1, entitled "Trusts":

Perhaps "the most amazing part of the Anglo-American Law" is the legal institution known as the trust. The trust is a comprehensive institution: It is as flexible and elastic as a contract, since it can be employed with minimum formalities and utilized for any purpose which does not contravene statutes or public policy.

Originating in the civil law courts, and subsequently expanding in the courts of chancery, the trust has been employed by attorneys as an effective legal device in nearly every field of human activity. As aptly stated by one court, "the trust device has been used for many different business purposes in recent years, and we are certain that astute attorneys will discover new uses for the trust in the future." Of particular practical significance is the availability of the trust as a means of separating the benefit from the burden of ownership.

### **A PURE TRUST CAN PROVIDE THE FOLLOWING BENEFITS:**

#### **Liability Protection**

The full title to your assets will pass to the trustees of the trust organization. The assets cannot be attached because of judgments and liens which may later be placed against you.

#### **Estate Planning**

Because assets transferred to a trust organization are no longer in your personal estate, you can avoid expensive probate costs, as well as estate and inheritance taxes. In addition, the trust organization is not affected by your death, so you have the peace of mind of knowing that your heirs will not be fighting over those assets upon your death.

## Privacy

Walt Disney understood the importance of privacy. The land where Disney World is now built was acquired through trusts. The anonymity given by the trusts allowed him to save untold dollars in acquisition costs over what prices would have been if people had known that Disney was going to build there. With a Pure Trust your assets are no longer in your name but in the trust name; therefore, there is no public record of personal ownership. Additionally, the trustees have a fiduciary responsibility to keep the business of the trust organization private. The United States Constitution and a number of supreme Court decisions ensure the privacy of the books and records of the Pure Trust.

## Tax Reduction

"Anyone may so arrange his affairs that his taxes shall be as low as possible; he is not bound to choose that pattern which will best pay the treasury; there is not even a patriotic duty to increase one's taxes." Judge Learned Hand in *Helvering v. Gregory*, 69 F.2d 810 (1934). In a Supreme Court case, Justice George Sutherland stated: "The legal right of a taxpayer to decrease the amount of what otherwise would be his taxes, or altogether avoid them, by means which the law permits cannot be doubted." *Gregory v. Helvering*, 239 U.S. 465, 469 (1934). As the distinguished judges above stated, it is your right to legally avoid any tax possible. The Pure Trust is an excellent vehicle for legally doing so. In *Weeks v Sibley*, (D.C.) 269 F. 155, the court stated, "A Pure Trust is not illegal if formed for the express purpose of avoiding taxation." In Volume 47A of *Corpus Juris Secundum*, Section 394, under the title "Use of trust for tax avoidance," it states: "The fact that under the Code a trust is a separate taxable entity has given rise to the use of trusts by individual taxpayers to avoid or mitigate the income tax burden on themselves or their beneficiaries." The 1985 Federal Tax Guide stated the following. "U.S. taxpayers may also use tax havens for tax planning reasons. Some transactions conducted through tax havens have a beneficial tax result for U.S. taxpayers that is completely within the letter of the U.S. tax laws."

# TRUSTS; WHAT ARE THEY?

This is your introduction to the **AWARE Management Administrative Trust**, the most effective way to maintain your privacy and protect your assets and income.

## WHAT IS A TRUST?

Black's Law Dictionary defines a trust as "A right of property, real or personal, held by one party for the benefit of another." That's simple enough; however, there are many different types of trusts in use today, and for a variety of reasons.

The pure trust is created under the common law right of contract as guaranteed in Article I, Section 10 of the U.S. Constitution. In *Schumann-Heink v. Fulsome*, 159 NE 250, 58 AIR 485, the court refers to this when they state the following, referring to common-law trusts; "(T)hey are created under the common law of contracts and do not depend upon any statute." The Pure Trust's legitimacy has been certified time and time again by the supreme Court of the United States.

The Pure Trust which **AWARE Management Administrative Trust** provides is the ultimate in privacy and confidentiality. In terms we all understand, The **AWARE Management Administrative Trust** protects you from:

1. LAWSUITS
2. PROBATE
3. INVASIONS OF YOUR FINANCIAL PRIVACY
4. ESTATE TAXES

The **AWARE Management Administrative Trust** cannot be altered in any way by:

1. DEATH
2. INSANITY
3. INCAPACITY
4. BANKRUPTCY
5. and it is not subject to THIRD PARTY LIABILITY.

The **AWARE Management Administrative Trust** can render your assets JUDGMENT proof!



## **WHERE DO TRUSTS COME FROM?**

The first known trust was used by Plato for his university in Greece around 400 B.C. Trusts were known in Roman law as well. In England, trusts were used as early as the 11th century, and by the 15th century, were being enforced by the Courts of Chancery.

## **WHAT ABOUT HERE IN AMERICA?**

The colonists brought Pure Trust organizations to America. The first Pure Trust of record was drafted in 1765, twenty-four years before the adoption of the Constitution, by the famous attorney and patriot, Patrick Henry, for Governor Robert Morris of the Virginia Colony, who was a prominent financier of the American Revolution. The trust was named "The North American Land Company," and this Pure Trust is still in operation today, over 200 years later.

In 1804, William Bingham, a man reputed to be the richest American when the thirteen colonies won independence, started a Pure Trust for his vast estate. At one time, the trust owned two million acres in Maine which sold about the time of the Civil War. Besides being a very large landowner, Bingham was a Senator from Pennsylvania of the Second United States Congress. The trust was terminated by the trustees in 1964, after some 160 years of operation, because of the multiplication of beneficiaries (totaling 315), and the sale of the last properties involved. Throughout the years, the income from property or proceeds from the sale of the land is distributed to the beneficiaries. It was not affected during its period of existence by the death of its creator, or by the death of a beneficiary, or by succeeding trustees, probate procedures, or death transfer taxes.

## **MORE PURE TRUST ORGANIZATION**

Arnold Hoffman, then president of the Mesabi Iron Company, transferred the assets of the company to a Pure Trust, announcing in the Wall Street Journal on March 13, 1961, that the Commissioner of Internal Revenue had ruled that the trust would not constitute an association of persons taxable as a corporation. The Mesabi Trust owns the reserves of the famous Mesabi iron deposits, and its shares of beneficial interest are still traded daily on the New York Stock Exchange.

Another example of the Pure Trust used for a family estate is that of the Joseph Kennedy family. Joseph Kennedy, father of the late President John F. Kennedy, originally established a Pure Trust to own the Famous Chicago Merchandise Mart.

The Kennedy family is known to maintain several other Pure Trusts for tax shelter purposes as well. One such trust was reported in the March 22, 1947 issue of The Chicago Tribune with the caption, "Kennedy Divides Merchandise Mart." This was a trust agreement in which Kennedy's wife, Rose F. Kennedy, and a long-time associate, John L. Ford, joined as trustees of the trust to distribute the thirty million dollar Chicago Merchandise Mart among members of the Kennedy family.

William Waldorf Astor created a fifty million dollar trust estate by a conveyance to trustees recorded in New York on August 15, 1919, which saved his heirs several million dollars which otherwise would have gone for probate costs and death taxes, had the estate been distributed by the court instead of by the trustees.

The Rockefeller family has used various kinds of trusts as a means of maximizing privacy. Before his death in 1937, John D. Rockefeller tucked much of his fortune into about 70 trusts for his descendants. The vast web of individual and group funds represent assets of considerably more than one billion dollars. It is believed that Nelson A. Rockefeller reduced his personal holdings by the creation of still more trusts for his grandchildren and great-grandchildren. It has been reported that there are well over 100 and perhaps 250 individual Rockefeller trusts by now.

Some persons who claim to have been close to the family of the Texas oil billionaire, H. L. Hunt, estimate that there may be as many as 200 Hunt family trusts now in existence. The death of H. L. Hunt did not affect any of these trust estates, because the family correctly arranged its affairs.

In 1966, Ronald Reagan established a trust which has enabled him to receive sizable tax advantages over the years, while maintaining a magnificent living standard.

These are but a few of the many family estates that are preserved, generation after generation through the use of the Pure Trust organization. You too can take advantage of the same opportunities for yourself and your family.

## **Advantages of a Pure Trust from Associated Management Administrative Trust**

1. The Constitution for these united States, and Supreme Court decisions guarantee every aspect of the Pure Trust is lawful and proper.
2. The Pure Trust is inexpensive to establish and can be maintained by yourself, without an attorney, and involves minimum paperwork.
3. The Pure Trust is lawful in every state and can do business in more that one state at a time.
4. The Pure Trust is a lawful person and can own, buy and sell property and other assets. It can sue and be sued.
5. The Pure Trust can easily change title of your assets, but you may have use of and enjoy the property during your lifetime.
6. To avoid the question of true ownership of the assets, the Pure Trust is **IRREVOCABLE**.
7. The Pure Trust prevents any information about your assets, liabilities and heirs from becoming public.
8. The Pure Trust is **NEVER** subject to probate or estate taxes.
9. You can use the Pure Trust to control your tax liability.
10. The Pure Trust has most of the advantage of a Corporation with none of the disadvantages. The Pure Trust can operate anywhere in the world as a lawful business.
11. The Pure Trust has no periodic accounting to make to any state or government.
12. The Pure Trust has the same Constitutional guarantees as any individual, that is, the right to privacy, freedom from unwarranted search and seizure, to refrain from self-incrimination, and all other rights.



## **QUESTIONS AND ANSWERS ABOUT TRUSTS**

### **Doesn't the IRS attack trusts?**

The Internal Revenue Service is a collection agency for the Federal Reserve Bank, and the International bankers. As a collection agency, it attempts to collect as much as possible from so called taxpayers. The IRS constantly tries to discourage people from doing anything that will save their tax dollars. The more you pay, the better it is for the IRS. However, there is nothing immoral or illegal about paying as little as the law allows you to pay in taxes. A Judge highly respected for his legal opinions and often quoted, Judge Learned Hand, Had this to say, in the case of *Helvering v. Gregory*, 69F.2d 809: "Anyone may arrange his affairs so that his taxes shall be as low as possible; he is not bound to choose that pattern which best pays the treasury. There is not even a patriotic duty to increase one's taxes. Over and over again the Courts have said that there is nothing sinister in so arranging affairs as to keep taxes as low as possible. Everyone does it, rich and poor alike and all do right, for nobody owes any public duty to pay more than the law demands."

Unfortunately, The IRS is not above using every technique in the book to collect as much in taxes as possible and will not give out information that would help people to reduce their tax burdens. They intentionally give out press releases that seem to indicate that certain tax saving devices are in some way illegal or a sham, to deliberately mislead and confuse the uninformed public, and thereby frighten people into a poor tax posture, ie; paying more than they really have to pay in taxes. These and numerous other less subtle abuses of the American public led former IRS Commissioner T. Coleman Andrews to write his expose on why the IRS should be dissolved;. Printed in the April 22, 1956 edition of the American Weekly, the article was entitled "Let's Abolish The Income Tax!"

Throughout history, the Pure Trust has proved to be the best defense against the tax collector. It is the method of choice of the richest families in the world. **Associated Management Administrative Trust** now makes the Pure Trust available to you.

### **Can the Trust operate a business?**

The simplest way for a trust to generate income is for the trust to own business property and lease that property to individuals who use it in their business. This avoids the headaches of employer-employee confrontations, business-related taxes, business-related liabilities, and the like. However, if it is so desired, a trust can operate the business itself, or several businesses for that matter.

If operating a business with a trust structure is desired, it would be wisest for the primary trust to set up a second trust just for the purpose of running that business. The primary trust could hold all of the certificate units of the second trust. The reason for a second trust is the same as for setting up a Corporation to run a business, ie; it limits the liability of those operating the business to the assets of that business. If the primary trust would be liable for the debts and the liabilities of that business. For the same reasons, if more than one business is desired, there should be a trust for each business.

There is no limit to where a trust can conduct its business. It can do business in any and all states regardless of its domicile.

### **Can a Trust open a bank account?**

Yes the trustee files an SS-4 with the IRS requesting an EIN (Employer Identification Number). When the number is received the General Trust Manager may open any number of accounts (Savings, Checking, Money Market, etc.) at the local bank. Not every bank will want to open a business trust account, but there are plenty that will.

### **Can creditors of the trustees get to the trust property?**

The Pure Trust is never liable for the personal debts of trustees. The trustees appoint you as the General Trust Manager of the trust. While the trust holds title to the assets, you exercise complete, practical control over the assets.

### **What if I should get a divorce?**

A divorce has no effect upon the trust organization. Note here that once a transfer has been made to the trust to begin with, neither spouse has any marital rights to trust property, and can not make claims upon trust assets in the divorce. Trust property cannot properly be part of a property settlement.

This type of trust is best utilized by those persons who have a strong family commitment. If you feel there is a divorce in your future, it would be best for you to work out your family problems first before considering a trust.

If the divorce is a "friendly" one and both spouses want to keep the trust, the trust can continue in the same manner as it always did. If the two spouses do not want to remain co-managers of the same trust, than another trust can be created, and part of the property transferred into the second trust. This way, each spouse would manage a

separate trust without interference from the other spouse. If no agreement can be reached, then the assets of the trust can be transferred according to the separation agreement and each spouse can go his or her separate way.

### **What is the difference between the Pure Trust and a Living Trust?**

Living trusts do not provide protection against lawsuit or government asset seizures, neither does it have any tax saving benefits, since it is revocable and deemed a Grantor Trust under the Internal Revenue Code; thus the Grantor is taxed personally on all the trust's income. The Pure Trust is irrevocable. In a Pure Trust the Grantor completely relinquishes ownership; thus the trust offers full liability protection and tax savings.

Living trusts are governed by statute law in the state where they are set up. The Pure Trust is a contract and, as such, is governed by Common Law, and protected under the Constitution for the united States of America.

#### **Most Living Trusts do not qualify as contracts for the following reasons:**

1. Usually there are not two different parties. One party is usually the Grantor and the Trustee. Therefore, there is no "contract" between two different parties in the sense of the constitutional meaning. Also the government generally recognizes husband and wife as one entity.

2. Living trusts are revocable; thus the Grantor never gives up control over the assets, and the trust lacks consideration between the parties.

#### **A Pure Trust qualifies as a contract for the following reasons:**

1. There is an offer and acceptance between two or more parties who are legal age and competent.

2. There is a consideration paid between the parties, including a legal object.

3. There is a termination date, but the Pure Trust can be renewed indefinitely.

### **What makes the Pure Trust such a powerful instrument?**

The Pure Trust is a Common Law "identity" (lawful person), based on the unlimited right to contract, established in Equity, and not dependent upon statutory jurisdiction.

### **What is the arrangement between the Trustee and myself regarding the Trust?**

That will depend greatly upon your specific desires and the complexity of your estate, but the following is a good general guideline:

1. Give, sell, or transfer the assets you desire to protect, to the Trust Organization;

2. Assign whomever you desire to be the Holder(s) of the One Hundred (100) Trust Certificate Units:

3. You will then not have the burden and liability of owning the assets, but may enjoy the use and benefits of the assets.

4. You appoint a Protector of the trust, who will have the power to remove the Trustee at any time at their discretion.

### **Who and what is the 1st Secretary?**

The 1st Secretary is the recording secretary for the Board of Trustees and the Trust Organization. The 1st Secretary records the minutes of the Board of Trustees meetings and does not have a vote on the Board. The most important aspect of the 1st Secretary's position, in the Associated Management Administrative Trust, is the 1st Secretary's right of approval to the correctness of the minutes before entering them as part of the official record of the trust organization. There is a place on the minutes for the 1st Secretary to sign showing approval and recording.

The 1st secretary position is usually filled by the General Trust Manager, but this position can be held by anyone. If the position is not held by the General Trust Manager then careful consideration must be made as to who will be the 1st Secretary, because of the right of approval to the correctness of the minutes.

### **Who and what is the Protector?**

The Protector protects the interest of the Beneficiary(ies). The Protector is the person who watches over the manner in which the trust organization is administered. If for any reason the Protector does not think the Board of Trustees, or an individual Trustee, is operating for and in the best interest of the Trust Certificate Unit Holders, then the Protector can dismiss, fire, or terminate the Board of Trustees, or any individual Trustee, and appoint a new Trustee in their place. This decision is based upon the Protector's discretion. It must be in writing and recorded in the official record



of the trust organization.

### **What is a Trust Certificate, a Trust Certificate Unit, and a Trust Certificate Unit Holder?**

A trust Certificate is a legal document, signed by the trustee and held by a Beneficiary, that expresses the extent to which he is Beneficiary of a particular Trust.

Our Pure Trust has One Hundred (100) Trust Certificate Units, which may be divided to accommodate up to 400 beneficiaries. For example:

- 10 Trust Certificate Units - Your Church
- 40 Trust Certificate Units - Your Son
- 40 Trust Certificate Units - Your Daughter
- 5 1/4 Trust Certificate Units - Grandson #1
- 4 3/4 Trust Certificate Units - Grandson #2

Trust Certificate Unit Holders, the Beneficiaries, have no vote or power in the operation of the Trust, but have the right to receive distributions of money or property from the Trust.

### **Who can, and who cannot, be a Trust Certificate Unit Holder?**

Cannot be TCU Holder: Protector, Trustee or any officer thereof.

Can be TCU Holder: Anyone or any organization you desire  
(Yes, a trust can be a TCU holder.)

### **What happens to the trust assets if I get sued?**

Nothing. Since you do not own the assets placed into the trust, and they are instead owned by the trust, any lawsuits against you cannot affect the trust. However, if possible, *you must establish the trust before you get into legal difficulties.*

### **What if I should become bankrupt?**

Your personal bankruptcy has no effect on the trust assets. John King placed roughly \$240 million in a trust for his family, and later went bankrupt with over \$40 million in creditor claims. The court ruled that his trust did not have to pay any of the claims, and it kept the entire \$240 million intact for his family. John King maintained a magnificent living standard throughout his bankruptcy.

**If a trust is so good, why doesn't everyone use it?**

Trusts have been in use for centuries. The super rich use trusts all the time to preserve their assets and let them accumulate. Of course they do not advertise their secrets: thus their strategies, for the most part, remain private and exclusive. Most attorneys will not inform you about trusts either, because of their lucrative probate business. Norman Dacey, in his book, *How to Avoid Probate*, stated, "I would put the proportion of attorneys who know about and recommend trusts at less than 1%." Despite this effort of suppression, more and more people are becoming aware of trusts and benefiting from their usage.

**Is there a need for a will if everything is in a trust?**

No. The Trust Organization is all an estate needs to direct the proper distribution of profit assets. There is no probate, no inheritance tax, no gift tax, no tax period.

**How can I protect my family from financial disaster?**

By acting now! Timely action, *before you have a problem* is the most important ingredient for successful asset protection planning. There are some things that can be done if a problem already exists: however, depending upon the problem, the longer you put off doing something, the options become more and more limited.

**Are assets moved into the trust before the General Trust Manager sees the Trust Organizational paperwork?**

No. Not one asset is moved into the trust until the General Trust Manager has the opportunity to read the the Trust Organizational Paperwork to verify everything that has been written and said.

**Where does the Trust get it's name?**

The General Trust Manager names the Trust(s). The name(s) can be almost anything you desire, but remember it is not your Trust so the Trust(s) must carry generic names, example: Colors, Animals, Trees, Plants, Initials, etc. The basic package with **Associated Management Administrative Trust** is four (4) Trusts; One (1) Management Trust and three (3) Holding Trusts. The Management Trust will receive an EIN (Employer Identification Number) from the IRS to do banking. The other Holding Trusts do not need an EIN to hold Real or Personal Property. You

should identify the trusts by placing Management in the Trust with the EIN, and Holding in the name for the others, or you may simply use Trust, or Group

**Examples:**

1. Anyname Management Trust;
2. Anyname Holding Trust;
3. Anyname Trust.
4. Anyname Group



## **THE 8 COMMANDMENTS ABOUT YOUR RELATIONSHIP WITH A PURE TRUST**

- 1. THOU SHALT NOT SAY, "I HAVE A TRUST," "MY TRUST," "MY COMPANY,". A PURE TRUST OR L.L.C. ARE NEITHER YOU, NOR YOURS. THEY ARE ENTITIES OF THEIR OWN, AND OPERATE INDEPENDENTLY FROM YOU.**
- 2. THOU SHALT SAY, "I AM THE MANAGER OF THE L.L.C." "I HAVE BEEN APPOINTED TO DO THE FOLLOWING BY THE TRUSTEE." BASICALLY YOU MAY SAY ANYTHING THAT DOES NOT IMPLY OWNERSHIP OR TOTAL CONTROL**
- 3. THOU SHALT MAKE SURE THAT THE RECORDS AT ALL TIMES REFLECT THAT YOU ACT AS AN AGENT FOR THE TRUST, OR AS A MANAGER FOR THE L.L.C., AND THAT YOU, PERSONALLY, ARE SUBORDINATE TO SOMETHING OR SOMEONE OTHER THAN YOURSELF.**
- 4. THOU SHALT KEEP GOOD AND ACCURATE RECORDS. I.R.S. AUDITOR TOM HEALY WAS QUOTED AS SAYING. "THE REASON THAT THIS TYPE OF TRUST WORKS FOR CONCERNS LIKE THE ROCKEFELLERS AND NOT FOR YOUR MAIN STREET BUSINESSMEN, IS BECAUSE THE ROCKEFELLERS HAVE MANAGERS. THE IMPORTANCE OF PROPER MANAGEMENT AND RECORDS CANNOT BE OVER-EMPHASIZED.**
- 5. THE TRUST SHALT NOT PAY FOR ANYTHING OUT OF ITS BANK ACCOUNT FOR ANYTHING THAT YOU PUT IN OR ON YOU. EXAMPLE: PERSONAL OR FAMILY CLOTHING, FOOD, GROCERIES, ETC. REMEMBER, YOU AND THE TRUST ARE SEPARATE ENTITIES. IF YOU DO NOT WANT IT TO BE DECLARED YOUR ALTER EGO, THEN YOU MUST NOT ACT AS IF IT IS YOU!**
- 6. THOU SHALT NOT ANSWER ANY QUESTIONS FROM ANY GOVERNMENTAL AGENCY, STATE OR FEDERAL, ABOUT THE TRUST. FORWARD ALL QUESTIONS. AND PEOPLE WITH QUESTIONS, TO THE TRUSTEE, IN WRITING, AND NOT BY PHONE.**
- 7 THOU SHALT REMEMBER THAT YOU DO NOT OWN THE ASSETS IN THE TRUST, BUT USE OR MANAGE THEM UNDER CONTACT WITH THE TRUSTEE.**
- 8. THOU SHALT ALSO REMEMBER TO USE THE TRUST'S E.I.N. NUMBER FOR EVERYTHING, AND NEVER YOUR FORMER SOCIAL SECURITY NUMBER.**

**INFORMATION ON**

## **AWARE MANAGEMENT ADMINISTRATIVE TRUST**

**In todays world, protecting you assets with the right plan is absolutely essential. With the multiplicity of trusts available, and the lack of educational material on them, it can be extremely perplexing choosing the right one. Be assured, we realize the extreme importance of protecting the property and assets you have worked a lifetime to obtain. The AWARE Management Administrative Trust has been extensively researched to provide the ultimate in protection for your assets! *There is no better type of trust available at any price!* AWARE Management Administrative Trusts were made deliberately affordable so that the average citizen can benefit from the advantages of asset protection and the elimination of probate, inheritance and other taxes just like the wealthy.**

**In our research, we scrutinized hundreds of court decisions to find out what qualities made certain types of trusts unpenetrable by judges, the IRS and other creditors. The AWARE Management Administrative Trust has been structured after Contracts of Trust that have been challenged and tested to withstand the most intense scrutiny of the Courts, the IRS and Creditors and still remain intact. We have researched all IRS Regulations regarding Trusts. We also thoroughly researched American Jurisprudence, the American Law Review plus volumes of other law books and documents on Trusts and Contracts of Trust.**

**AWARE Management Administrative Trusts offer the only asset protection plan created specifically for the Citizen who understands the magnificent power of his or her *true Sovereign Citizenship status* and wants to take advantage of the awesome protective powers of the Constitution, as the supreme law of the land. This is the only law that can provide true, genuine, unpenetrable protection of your assets.**

## GENERAL INFORMATION ON PURE TRUSTS

The contract in Pure Trust Form comes under the realm of equity under Common Law. This is the type of asset protection that the wealthiest people in the world use. While statutory trusts rely upon statutes that can be changed at the whim or greed of the legislators, The Contract of Pure Trust takes its protections from the Constitution, and any law contrary to it is NULL and VOID. There is NO higher earthly law! The AWARE Management Administrative Trust, is a creation of the citizen's sovereign prerogative to contract which cannot be impaired by the legislature or the government.

## UNINCORPORATED BUSINESS ORGANIZATION (UBO) OR CONTRACTUAL COMPANY

A UBO combines the greatest benefits of a Sole Proprietorship, Partnership and Corporation, without the restrictions of either entity. The problem with a corporation is that, because it is a creation of the corporate State, it can be regulated and taxed by it. A Corporation is an "artificial entity," owing its existence to the charter power of the corporate state, and does NOT have "unalienable" Constitutional Rights. It only has very limited "granted" rights. The tax burdens and regulatory requirements of a corporation are overwhelming. A Limited Liability Company is also a Statutory entity providing few benefits over a corporation. A sole Proprietorship or partnership leave the personal assets of the principals exposed. A UBO is a creation of the Sovereign and has no duty to the state and CANNOT be regulated by it! It is a PRIVATE way for private Citizens to do business without governmental red-tape or interference.

## FAMILY PRESERVATION ORGANIZATION

A separate Family Preservation Organization is an intelligent way to protect property as you accumulate it. Dividing assets into different Trusts provides the maximum in asset protection. Although, the assets in the Contract of Pure Trust are contractually non-attachable (except in the case of crime or fraud), multiple Contracts of Trusts provide an added layer of protection, especially for property that has potential of creating a liability. Remember, if in a worse case scenario a Trust is penetrated, nothing outside of that particular Contract of Trust can be taken. For that reason, property that may be particularly vulnerable to suits should be placed in separate Contracts of Trusts. Also, a UBO should always contain a minimum of assets (ie. a desk, a chair, and a typewriter).

## SAFE HAVEN TRUST

There should also be a trust that is absolutely separate from you. In this Trust, rather than transferring property from your name into the name of the trust, you merely purchase new property directly in the name of the trust. Do not write checks from your personal account or accounts attached to you to this trust. This will provide an extra safe haven for your assets.

You may have as few or as many trusts as desired but *the ideal scenario is at least three Trusts*;

- 1) A Management Trust, as an Unincorporated Business Organization or Contractual company. This Contract of Trust may have a Bank Account in its name.
- 2) A family Preservation Organization, for the purpose of transferring assets from your family and/or business, and
- 3) A 2nd family Preservation Organization that acts as a Holding Trust that has no ties to you, that buys and sells assets directly in the name of the Contract of Trust.

## PURE TRUST DEFINITIONS

**IN A TRUST AN INDIVIDUAL GIVES UP OWNERSHIP BUT RETAINS CONTROL!** The richest and most economically sophisticated people in America own absolutely nothing but control vast amounts of wealth and property through Common Law Pure Trusts!

A Trust is defined as "*a right of property held by one party for the benefit of another.*" Americans have the unlimited freedom to hold, transfer, sell, give away or dispose of their property in any manner they desire. It is neither immoral, unethical nor unlawful to provide your property with maximum protection against potential creditors. In fact, you have a moral obligation to yourself and your family to preserve what you have worked a lifetime to obtain. The **PURE TRUST** provides a lawful method of relinquishing ownership, and its inherent liabilities, while maintaining use or control of the property. This is accomplished by transferring the property into properly created and executed Pure trusts, in exchange for valuable consideration, such as Capital Unit Certificates.



A pure Trust is "created" and given life, through a Contract of trust. This contract is referred to as the "Instrument." The Pure trust is a "Juristic Person" which is a "person recognized by law." Both trusts and corporations are juristic persons. People are "natural persons." A Contract of Pure Trust is formed by a "Creator" The "Exchanger" then exchanges property for "Trust Certificate Unite [TCU's]" which have Contingent Future Value. These certificates may either be retained by the exchanger or issued to capital TCU Holders of the Exchanger's choice. A Pure Trust is controlled by one or more trustees," for the benefit of one or an unlimited number of "Beneficiaries". The "Corpus" of a Trust consists of all property held within the Trust. The Beneficiaries of the trust are the "Trust Certificate Unit Holders." A beneficiary has no control of the trust and the Trustees can only act in the best interests of the beneficiaries.

The "Trust Estate" is **IRREVOCABLE**. This is not as intimidating as it sounds. You can still do anything with the assets of the "Trust Estates" that you could if you were a sole proprietorship. You can buy, sell or transfer property into and out of the "Trust Estate." You merely cannot demand that a property be titled back in your own name. (*neither can the creditor!*) Transferring property into a Contract of Trust is as simple as transferring it to your best friend. The pure trust has been one of the best kept secrets of the richest families in America for centuries! Not only does it provide the ultimate asset protection, it provides significant tax benefits.

**"A PURE TRUST IS NOT ILLEGAL IF FORMED FOR THE EXPRESS PURPOSE OF AVOIDING TAXATION."**

Weeks v. Sibley D.C. 269 F.155 Edwards v. Commissioner, 415 f2d 578. 582 10th Cir. (1969)

**DEPARTMENT OF TREASURY, IRS, HANDBOOK FOR SPECIAL AGENTS §412; Tax Avoidance Distinguished from Evasion** "Avoidance of taxes is not a criminal offense. Any attempt to reduce, avoid, minimize, or alleviate taxes by legitimate means is permissible...."

"Anyone may arrange his affairs so that his taxes shall be as low as possible: he is not bound to choose that pattern which best pays the Treasury. There is **NOT EVEN A PATRIOTIC DUTY TO INCREASE ONES TAXES... NOBODY OWES ANY PUBLIC DUTY TO PAY MORE THAN THE LAW DEMANDS.**" **HELVERING V. GREGORY.** 69F. 2 D 809

## **A FEW COURT DECISIONS ON TRUSTS**

1. **CALDWELL V HILL**, 176 SE 383 (1934) - U.S. ADOPTED COMMON LAWS OF ENGLAND WITH THE CONSTITUTION.
2. **ELLIOT V FREEMAN**, 220 U.S. 178 (1911) - A TRUST IS NOT DEPENDENT ON STATUTORY
3. **BURNETT V SMITH**, 240 SE 1007 (1922) - A TRUST IS A LEGAL ENTITY.
4. **SCHUMANN-HEINK V FOLSOM**, 159 NE 250 (1927) - IF IT IS FREE OF CONTROL BY TRUST CERTIFICATE UNIT HOLDERS, THEN IT IS A PURE TRUST
5. **BERRY V MCCOURT**, 204 NE 2ND 235 (1965) - A PURE TRUST IS A CONTRACTUAL RELATIONSHIP IN TRUST FORM.
6. **GOLDWATER V OTTMAN**, 292 P 624 (1930) - A BUSINESS TRUST IS LAWFUL WHEREVER CONTRACTS ARE LAWFUL
7. **BAKER V STERN**, 58 AIR 462 - A TRUST IS A VALID BUSINESS ORGANIZATION.
8. **REEVES V POWELL**, 267 SW 328 - A TRUST IS A VALID BUSINESS ORGANIZATION.
9. **EDWARDS V CIR**, 415 F. 2D 573 - A CONTRACT CANNOT BE SET ASIDE BECAUSE IT SAVES ON TAXES.
10. **WILLIAM V CITY OF MILTON**, 102 NE 355 - CLASSIC OLD CASE ON TRUSTS
11. **BARNETTE V MCNULTY**, 516 P. 2D 583, AND **CARRILLO V TAYLOR**, 299 P. 2D 188 - ESSENTIAL ELEMENTS OF A TRUST ARE A COMPETENT SETTLER AND TRUSTEE; CLEAR AND UNEQUIVOCAL INTENT TO CREATE A TRUST; AN ASCERTAINABLE TRUST RES AND SUFFICIENTLY IDENTIFIABLE BENEFICIARIES.
12. **BOWES V CANNON**, 116 P. 336 - IN ITS TECHNICAL LEGAL SENSE, A TRUST HAS BEEN DEFINED AS THE RIGHT TO THE BENEFICIAL ENJOYMENT OF PROPERTY, THE LEGAL TITLE TO WHICH IS VESTED IN ANOTHER.
13. **GLEASON V MCKAY**, 124 MASS. 419; **CLAGGETT V KILBOURNE**, 66 U.S. 346; **COLEMAN V MCKEE**, 257 S.W. 733; **CROKER V MALLEY**, 264 U.S. 144 AND COUNTERPART **HECHT V MALLEY**, 265 U.S. 1

## **Notes & Quotes**

**"The United States adopted the Common Laws of England with the Constitution."**

Caldwell v. Hill 176 S.E. 383 (1934)

**"Even Admiralty and maritime jurisdiction, when brought inland, is subject to the Common Law remedy, the same as Equity; and cannot supersede the sovereign citizens' God endowed/given unalienable/inalienable rights, and these same rights as secured in and under the Constitution of the United States of America."**

Title 5 U.S.C., §559, cl.2, title 28 U.S.C. §2072, Miranda vs Arizona 384 U.S. 436 at 491 (1966)

**"No emergency justifies a violation of any Constitutional Provision."**

No National emergency or Executive Order, including but not limited to, The Act of October 6th, 1917, as amended [12 USCS Sec. 95a] March 9, 1933, shall nullify any of the Constitutional Protections of this "Trust Estate". "No emergency justifies a violation of any Constitutional provision." 16 Am Jur 2nd Ed. §71, 72 "The prohibitions of the federal constitution are designed to apply to all branches of the national government and cannot be nullified by the executive and senate combined." Reid v. Covert, 354, U.S. 1, 1 L. Ed 2nd 1148 (1951)

This "Trust Estate." is alien to the jurisdiction of, and not subject to the decisions of Article I, Executive or Legislative and Administrative Courts and Tribunals, Municipal Courts, Tax Courts, or any defacto court or tribunal and is not subject to the decisions of defacto judges or courts or tribunals created by the limited authority of Article I, §8, Cl. 17. and Article IV, §3, Cl. 2 of the Constitution, or through corporate or emergency powers.

**"Legislation enacted by Congress applicable to the inferior federal courts in the exercise of power under Article III of the Constitution cannot be affected by legislation enacted by Congress under Article I §8, clause 17 of the Constitution." Title 11, D.C. Code at pg 13.**

**"...the United States has no constitutional capacity to exercise municipal jurisdiction, sovereignty, or eminent domain within the limits of a state except in cases which it is expressly granted."**  
Pollard's Lessee vs Hagan, 44 U.S. 212 at 223, Article 1 §8 Cl. 17, constitution

**"It is a well established principle of law that all federal legislation applies only within the territorial jurisdiction of the United States unless a contrary intent appears."**  
Foley Brothers v. Filardo, 336, U.S. 281

**"The United States Government is a Foreign corporation with respect to a state."**-  
NY re: Merriam 36 N.E. 505 1441, S.Ct. 1973. 41 L. Ed. 281

### **3A Am Jur 1420, Aliens and Citizens**

**"A person is born subject to the jurisdiction of the United States, for purposes of acquiring citizenship at birth, if this birth occurs in a territory over which the United States is sovereign."**



"The individual may stand upon his constitutional rights as a Citizen. He is entitled to carry on his private business in his own way. His power to contract is unlimited. He owes no duty to the State or to his neighbors to divulge his business or to open his doors to investigation. He owes no duty to the State, since he receives nothing therefrom, beyond the protection of his life and property. His rights are such as existed by the Law of the Land, long antecedent to the organization of the State, and can only be taken from him by due process of the law and in accordance with the Constitution. He owes nothing to the public so long as he does not trespass upon their rights. Supreme Court, *Hale vs. Henkle* 201 U.S. 43 at 74

According to the supreme Court of these united states, "The fact that a business Trust is not regarded as a legal entity distinct from its trustees, it is a true trust, may result in this advantage to the trust, which a corporation does not possess: The trust of individuals...who are Citizens, and who, therefore, are entitled to certain rights and immunities such as those guaranteed by the privileges and immunities clause [Art. IV, §2, Cl.1] of the Federal Constitution, which do not apply to corporations."

-296 U.S. 344. 80 L ed 263. 56 S Ct 289. 156 ALR

"The terms 'common law trust'...is not descriptive of any particular characteristics of such organizations. The basis for the terminology, 'common law trust' is not that such organizations are the creatures of the common law, as distinguished from equity, but that they are created under the common law of contracts and do not depend upon any statute." -*Schumann-Heink v. Folsom*, 328 Ill 321, 159 NE 250. 58 ALR 485. 156 ALR viii.

*Burnet vs. Logan*, 283 U.S. 404. ruled that, no tax is assessed on the conveyance of property to a Trust because it constitutes a tax-free trade and exchange for Trust Certificates which have only a contingent future interest of indeterminable value. The tax is not evaded or avoided. It is merely deferred.

*"If it is free of control by Certificate Holders, then it is a Pure Trust."*

*Schuman-Heink v. Folsom* 159 N.E. 250

"Trust property cannot be held under attachment nor sold upon execution, for the trustee's personal debts". -*Clew v. Jamison* 182 U.S. 461, 21 S. Ct. 645

"This Constitution and the laws of the United States which shall be made in pursuance thereof...shall be the supreme law of the land; and the judges in every State shall be bound thereby...The Senators and representatives and members of the State legislatures, and all executive and judicial officers of the United States and the several States, shall be bound thereby..." Constitution for these united States, Article VI, §2, Cl. 1

"It may be said that the Constitution executes itself. This expression may be allowed; but with as much propriety. These may be said to be laws which the People have enacted themselves, and no laws of Congress can either take from, add to, or confirm them. They are rights, privileges, or immunities which are granted by the People, and are beyond the powers of Congress or State Legislatures. It may be laid down as a universal rule, Admitting to no exception, that when the Constitution has established a disability or immunity, a privilege or a Right, these are precisely as that instrument has fixed them, and can neither be augmented nor curtailed by any act or law either of Congress or a State Legislature. We are more particular in stating this because it has sometimes been forgotten both by Legislatures and Theoretical expositors of the Constitution."

*Bouvier's Law Dictionary*, 1870 pp 622-625

"The general rule is that an unconstitutional statute, though having the form and name of law, is in reality no law, but is wholly void and ineffective for any purpose, since its unconstitutionality dates from the time of its enactment...In legal contemplation, it is as inoperative as if it had never been passed...Since an unconstitutional law is void, the general principles follow that it imposes no duties, confers no right, creates no office, bestows no power or authority on anyone, affords no protection and justifies no acts performed under it. A void act cannot be legally consistent with a valid one. An unconstitutional law cannot operate to supersede any existing valid law. Indeed insofar as a statute runs counter to the fundamental law of the land, it is superseded thereby. No one is bound to obey an unconstitutional law and no courts are bound to enforce it."

16 Am Jur 2d §177, late Am Jur 2d §256. Norton v. Shelby County, 118 U.S. 178

"...A regulation which is inconsistent with the law is invalid...because a statute may not operate in derogation of the Constitution." Title 5 U.S.C. §301, §559 Cl. 2

**A PURE TRUST IS NON-STATUTORY.** A Pure Trust is not subject to legislative control. The supreme court holds that the trust is created under the realm of equity under the common law and is not subject to legislative restrictions as are corporations and other statutory entities created by legislative authority. Crocker v. MacCloy, 649 US Supp 39

"All subjects over which the sovereign power of the state extends [ie. corporations or other statutory entities] are objects of taxation [and regulations] but those over which it does not extend are exempt from taxation [and regulation]. This proposition may almost be pronounced as self-evident. The sovereignty of the state extends to everything which exists by its authority or its permission."

-McCulloch v. the state of Maryland, 4 Wheat, 316

"The Pure Trust derives no power, benefit, or privilege from any statute".

-Crocker v. Malley, 264 U.S. 144, Gleason V. McKay 134 Mass 419, Goldwater v. Oltman, 624

**Elliot v. Freeman** 20 U.S. 178 ruled that a Pure Trust is not subject to legislative control. The U.S. Supreme Court Holds that Trust relationship comes under the realm of equity, based upon the common law and is not subject to legislative restrictions as are corporations and other organizations created by legislative authority.

**13 Am Jur 2d, pg 379, Paragraph 51** "One of the objectives of business trusts is to obtain for the trust associates, most of the advantages of corporations, without the authority of any legislative act and with the freedom from the restrictions and regulations generally imposed by law upon corporations."

Rights protected by the Constitution for the United States shall include, but not limited to:

#### **FIRST AMENDMENT**

- (1) freedom of Religion
- (2) Freedom of Speech
- (3) Freedom of the Press
- (4) Freedom to peaceably assemble
- (5) Freedom to petition the government for the redress of grievances

#### **SECOND AMENDMENT**

- 1) Right to bear arms.

#### **THIRD AMENDMENT**

- (1) Freedom from housing soldiers without citizens consent

#### **FOURTH AMENDMENT**

- (1) Right to be secure in person, house and effects
- (2) Right against unreasonable searches and seizures without a properly executed witnessed search warrant, attesting probable cause and signed under oath by a [Article III] judge and particularly describing the place to be searched and persons or things to be seized

#### **FIFTH AMENDMENT**

- (1) Right not to be held to answer for a capital or infamous crime except by a "presentment" or "indictment" by a Grand Jury.
- (2) Right not to be tried twice for the same crime
- (3) Right not to be a witness against yourself
- (4) Right not to be deprived of life, liberty, or property without **DUE PROCESS** of the law.
- (5) Right against property being taken from a Citizen by the Government, without just compensation.

#### **SIXTH AMENDMENT**

- (1) Right to a speedy and public trial; by an impartial jury in the state and district where the crime was committed.
- (2) Right to be informed of the nature and cause of the accusation.
- (3) Right to confront witnesses.
- (4) Right to a defense counsel.

#### **SEVENTH AMENDMENT**

- (1) Right to a trial by Jury under the Rules of Common Law.

#### **EIGHTH AMENDMENT**

- (1) Right against excessive bail
- (2) Right against cruel and unusual punishment.

#### **NINTH AMENDMENT**

- (1) The enumeration of certain Rights, in the Constitution, shall not be construed to deny or disparage others retained by the People.

#### **TENTH AMENDMENT**

- (1) Powers not delegated to the United States, by the Constitution, nor prohibited by the States, are Reserved to the States or to the People.

# ***SUMMARY***

**Proper implementation of a Pure Trust can result in the following:**

1. A pure Trust does not die, therefore all assets held by a Pure Trust are not subject to Probate, inheritance or estate taxes.
2. When the Pure Trust owns all the properties, the individual becomes judgment proof. If a liability suit occurs, one of the first things a lawyer does is to determine the defendant's ability to pay. Being a pauper is a strong deterrent to lawyers.
3. The use of several Pure Trusts allows flexibility of dividing up properties and vehicles into different trusts, to limit each trust's liability. This provides even further protection of the assets.
4. A properly structured Pure Trust, or group of Trusts, may result in substantial tax savings, through the legal method of tax avoidance.
5. Privacy of business and personal operations are greatly improved due to the fact that the properties are owned and operated by a variety of Trusts. Furthermore these Trusts are not liable to the disclosure requirements peculiar to corporations.

## ***CONCLUSION***

The completed personalized **AWARE Management Administrative Trust** package will contain detailed instructions on understanding and fully executing the "Trust Estate."

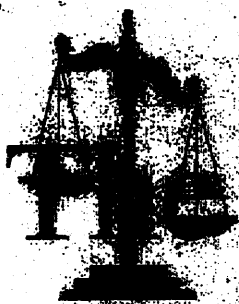
This booklet is a general overview of the benefits that can be obtained through the use of the **AWARE Management Administrative Pure Trust**. It is not intended to cover every detail of implementation and use, as those details will vary from Trust to Trust. Proper construction of the Pure Trust is best achieved through detailed planning and consultation. For further details on how you can achieve your personal financial reorganization through Pure Trusts, contact the representative who gave you this booklet or The AWARE Group.

**Management Trusts \$275<sub>each</sub> • Holding Trusts \$100<sub>each</sub>**

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## Atlanta Seminar

SPECIAL EDITION

### **B** lacks Law, sixth edition; **Caveat Emptor:**

*"Let the buyer beware. This maxim summarizes the rule that a purchaser must examine, judge, and test for himself."*

How many of you would consider going down to your local airport and purchasing the "Private Pilot Handbook", an FAA publication of basic pilot information, read it carefully and completely, and then go to a major airport and attempt to fly solo in a 747? Sounds ridiculous doesn't it?

"Vultures In Eagles Clothing" by Lynne Meredith has on its cover, "LAWFULLY STOP!!! PAYING IN-COME TAXES". That statement is as true as "learn to fly" is on the cover of the "Private Pilots Handbook". The "Private Pilots Handbook" is not a manual for a 747, and neither is "Vultures In Eagles Clothing" a manual for opposing the most powerful government on earth. "Vultures In Eagles Clothing" is basic information only!

AWARE receives calls every day from discouraged people that have "filled in the blanks" on the forms published in Vultures In Eagles Clothing. They are all answered with the same response.

(Continued on page 2)



*"Where rights secured by the Constitution are involved, there can be no rule making or legislation which would abrogate them."*

-Miranda v. Arizona, 384 US436 p.491

**D**ue process of law embodies the principle that government may not deprive an individual of life, liberty or property unless certain rules and procedures required by "law" are followed. The question is whose "law" and whether or not that "law" has jurisdiction over who you are as a Citizen. Once you know who you are and what the courtroom procedures are, it's possible to restore due process, and your unalienable rights.

The AWARE™ Group provides information that will assist you in determining what jurisdiction *you* wish to be subject to, or what status best provides your fulfillment of Life, Liberty and the pursuit of Happiness. ■

### This Could Be Your Story!

The AWARE Group proudly welcomes Warren and Shirley Black as AWARE members #2,000. We first wrote what we knew about Warren and Shirley Black in the 1996 Summer Newsletter. It was written based on our understanding from an article that appeared on the front page of The AMERICAN'S BULLETIN, July/August edition. The headline read; "Couple Jailed For Tax Defiance Now RELEASED and FREE! Their 'Vow of Silence' destroyed judges order to meet with the IRS!"

Let us take you through a brief synopsis of what Warren and Shirley Black have endured and maybe you will realize that one day you, or perhaps your children may be confronted with a similar situation. If "justice" is allowed to continue on the present course, and it *will* without the active participation of good, God loving and caring Americans, like Warren and Shirley Black. People that really care enough about the future to have a future for themselves, their children's children.

Warren and Shirley Black were taken before federal judge Bartlett. Bartlett ordered the couple to sign a pre-prepared memorandum agreement. When Warren

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inside...

Learn about taxes at the Atlanta seminar

Without prejudice UCC 1-207 a definition, not a cure all

Your rights of "Due Process"

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EXHIBIT 23

Deponent Alexander

Date 7-27-09 Rpt. BE

DEF-00134

**E-MAIL; [awarelaw@ix.netcom.com](mailto:awarelaw@ix.netcom.com)**

(Continued from page 1)

"Dear Mr. Taxpayer: We recently received correspondence from you which is identical to correspondence received previously from known tax protesters. We are writing you to express our concern with this type of rhetoric."

The letter goes down hill from there, but take heart. Knowing how to properly respond is the essence of what the seminar in Atlanta will address.

The U.S. Congress primarily makes laws that pertain to the federal "United States." But it also makes laws for the "united states of America" which have general applicability. These are called "positive" laws. Positive law is actually and specifically enacted or adopted by proper authority for the government of an organized "jural society" or state. There are 50 Titles of United States Code (USC), some of which have been enacted as "positive law"-the irrefutable law of the united states of America. This is law that has survived the test of time.

Many of the titles of the United States Code (USC) are "non-positive law" which are still pending enactment as "positive law," (e.g. Title 26, Internal Revenue Code). Only positive law applies to American Nationals and sovereign state Citizens of the several states, while non-positive law does not. Only 21 of the titles of the USC contain positive law and they are indicated in the code. Positive law must also be published in the Federal Register.

If a statute is not published in the Federal Register it indicates that the statute has limited applicability. Non-positive laws are contracts, applicable only to those who have voluntarily entered into the jurisdiction or the contract (e.g. U.S. citizens, or signing a 1040 form). Rules become law when you agree to obey them. Non-positive, private corporate law is presumed applicable unless you challenge jurisdiction as an American National or sovereign state Citizen. As a U.S. citizen of the District of Columbia, you are subject to

...of the world have no for  
...and therefore we an  
...for all freedom loving  
...and

the letter of the laws and statutes, including the non-positive law.

Understanding the advantages and benefits as well as the disadvantages and liabilities of a U.S. citizen, a sovereign state Citizen and an American National will make *your choice* a more intelligent one. All the information available on this subject is public information.

The AWARE- Group makes this information available to it's members with a stipulation. In God we trust, everything else we check. Verify, verify, verify.

**End**

*A message from:* Jim London

**Swiss America 1-800-BUY-COIN**

"America is being lied to. It's economic strength is being drained by the money changers (the Fed). Call for two important reports. *Free* if you mention you heard about them in The AWARE newsletter. Positive thinking alone won't be enough. Take action NOW!!!!"

*The often touted "Without prejudice" is not a cure all, but properly applied, and understood, as well as defended may save you both time and money.*

# UCC

## § 1-207

Performance or Acceptance  
Under Reservation of Rights

(1) A party who with explicit reservation of rights performs or promises performance or assents to performance in a manner demanded or offered by the other party does not thereby prejudice the rights reserved. Such words as "without prejudice", "under protest" or the like are sufficient.

(2) Subsection (1) does not apply to an accord and satisfaction.

[Note: As amended in 1990]

SECRET

- no execution upon life/liberty/property without a valid court judgment
  - no judgment without a unanimously guilty verdict
- no guilty verdict without a jury of your peers (equals)
  - no trial without a jury
  - no trial without indictment
  - no indictment without admissible evidence
- no admissible evidence via your compelled testimony
- no admissible evidence without lawful search/seizure
  - no lawful search/seizures without a warrant
  - no warrant without probable cause
- no probable cause without consent of a judge or grand jury
  - no judge without a court
  - no court without jurisdiction

(Continued from page 1)

asked about the nature of the document, the judge told them to read it themselves.

(Editors note: At this point, they were not advised of their rights nor was counsel present.)

The document basically said the Blacks were to meet with IRS agents one week from this date and to 'do anything', 'endure anything,' and 'comply with all demands made of them at that later date by the agents.'

Warren was shocked at such an outrageous document but had the presence of mind to inquire what would be asked of them at that date. The judge replied that they were not going to discuss those matters at this time.....just sign the document and we'll release you and you can go home in 5 minutes.

Frustrated by the obvious lack of justice, Warren asked judge Bartlett.... "Your honor, are you saying that we have no unalienable rights in this matter?" (judge) "Yes, you have no rights." The judge told them that they would go to prison until they signed that document.

No trial was held. No rights were read. Warren, 68 and Shirley, 63 were chained HAND AND FOOT and moved to a MAXIMUM SECURITY PRISON CENTER in Leavenworth, Kansas WITHOUT BEING CHARGED with a SINGLE CRIME of any kind.

*"Hello out there America. Is this what you want for your country? Is this what you want to leave to your children?"*

Over and over during the hearing the judge kept repeating "if there were any doubt in his mind that these people were being punished, he would have to let them go because it would be unlawful to punish them." Sounds like "DOUBLE SPEAK" straight out of George Orwells 1984.

In Nineteen Eighty-four, George Orwell, through his character O'Brien, explains the true relationship between power and government:

"Now tell me *why* we (the Party) cling to power? What is our motive? Why should we want power?...The party seeks power entirely for its own sake. We are not interested in the good of others; we are interested solely in power....The German Nazis and the Russian Communists came very close to us in their methods, but they never had the courage to recognize their

own motives. They pretended, perhaps they even believed, that they had seized power unwillingly and for a limited time, and that just around the corner there lay a paradise where human

**The object of power is power.**

beings would be free and equal. We are not like that. We know that no one ever seizes power with the intention of relinquishing it. Power is not a means; it is an end. One does not establish a dictatorship in order to safeguard a revolution; one makes the revolution in order to establish the dictatorship...The object of power is power."

Remember the "Land of the Free" and the "Home of the Brave"? We salute Warren and Shirley Black for facing adversity and not backing down. They are, in addition to being "Brave Americans", very soft spoken God loving people that have a very high level of understanding how the law works. "What?".....you say. They spent a year in prison. That's correct. But look at the alternative. Had they signed away

to the IRS unconditionally, they would be forevermore their subjects.

The judge in this case committed a criminal act and can not escape what will surely come his way. (Anyone ever hear of karma) The Blacks on the other hand emerged with their character and faith not only intact, but strengthened. They were able to witness to other people in need and made very good use of their time.

What did the trick for their release? An age old phenomenon. Lift the rock and the cockroaches go scurrying. Simple exposure. A reporter got on to the story and went to do an interview with judge Bartlett. Ninety minutes later, their release was being Faxed. I am sure this won't be the end of the story. If you get the AMERICAN'S BULLETIN you will find that Warren and Shirley Black have published their home phone number. We did not ask their permission, sorry folks, you will have to read the BULLETIN. You may however send a FAX to SPIRIT of AMERICA (816) 767-0000

End

Dear AWARE:

Yesterday, I had my final day in court as a result of my being a given ticket for passing a "Stop Sign" without stopping, last mother's day.

With AWARE's help, I filed a timely NOTICE OF REFUSAL OF PRESENTMENTS FOR CAUSE \* REVOCATION OF SIGNATURE.

Due to personal problems I was unable to perform an "Appearance without an Appearance" so I went to trial and presented my case that I am a Sovereign National and no one was injured. The judge arbitrarily declared me "guilty" and fined me \$150.00. I appealed, then filed a PETITION FOR WRIT OF CERTIORARI AND REQUEST FOR MANDATORY INJUNCTION.

My case finally came up yesterday, and the Assistant District Attorney, who was prosecuting, after talking to me about it, said he would dismiss the charges. (And he did)

I wish to thank AWARE for giving me the information and know-how to enable me to go through this experience successfully.

In addition, I have also used AWARE to have my home placed in a Trust. That activity has been started, but there are a couple of more steps to be done before it is finished. I am also using AWARE's help in having my Social Security funds returned.

Thank you, ever so much, for your help and assistance.

Sincerely, Frank J. Potter



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## Benefits Of A Pure Trust

Benefits	Sole Proprietor	Corporation	Living Trusts	UBO	Pure Trusts
Personal Control	YES	YES	YES	NO	YES
Protection From Lawsuits and Judgments	NO	NO	NO	YES	YES
Avoid Probates	NO	NO	YES	YES	YES
Avoid Death & Estate Taxes	NO	NO	NO	YES	YES
Reduce Income Taxes	NO	YES	NO	NO	YES
Valid in all States	YES	NO	YES	YES	YES
Operate a Business & Avoid Red Tape	YES	YES	NO	NO	YES
Book & Records Protected from Court Ordered Subpoenas	YES	NO	NO	YES	YES
Avoid IRS Seizures	NO	NO	NO	YES	YES
Create Artificial Poverty	NO	NO	YES	YES	YES
Asset Protection	NO	NO	NO	YES	YES

Call AWARE (864) 246-1303 for more information how a Pure Trust Organization can work for You.



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